

Rural Utilities Service, USDA

§ 1703.101

result in suspension or termination of grant funds.

[59 FR 11712, Mar. 14, 1994]

§ 1703.68 Loan and grant termination provisions.

(a) *Termination for cause.* The Administrator may terminate any loan and/or grant in whole, or in part, at any time before the date of completion of loan and/or grant disbursement, whenever the Borrower has failed to comply with the conditions of the loan and/or grant. The Administrator will promptly notify the Borrower in writing of the termination and the reasons for the termination, together with the effective date. The termination date will be no less than 30 days following receipt of the termination notice. The Borrower will have such time to cure the default, or to state why it feels the loan and/or grant should not be terminated. The Administrator will stay the termination upon the curing of the default, and may delay termination if, sufficient cause has been given by the Borrower.

(b) *Termination for convenience.* The Administrator or the Borrower may terminate a loan and/or grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with further expenditure of funds. The two parties will agree upon termination conditions, including the effective date, and in the case of partial terminations, the portion to be terminated. The Borrower will not incur new obligations for the terminated portion after the effective date, and will cancel as many outstanding obligations as possible. The Administrator will allow full credit to the Borrower for the Federal share of unfulfilled contractual obligations which were incurred in good faith by the Borrower prior to grant termination.

[59 FR 11712, Mar. 14, 1994]

§§ 1703.69–1703.79 [Reserved]

Subpart C—Rural Business Incubator Program [Reserved]

§§ 1703.80–1703.99 [Reserved]

Subpart D—Distance Learning and Telemedicine Loan and Grant Program—General

SOURCE: 64 FR 14357, Mar. 25, 1999, unless otherwise noted.

§ 1703.100 Purpose.

The purpose of the Distance Learning and Telemedicine (DLT) Loan and Grant Program is to encourage and improve telemedicine services and distance learning services in rural areas through the use of telecommunications, computer networks, and related advanced technologies by students, teachers, medical professionals, and rural residents. This subpart describes the general policies for administering the DLT program. Subpart E contains the policies and procedures related to grants; subpart F contains the policies and procedures related to a combination loan and grant; and subpart G contains the policies and procedures related to loans.

§ 1703.101 Policy.

(a) The transmission of information is vital to the economic development, education, and health of rural Americans. To further this objective, RUS will provide financial assistance to distance learning and telemedicine projects that will improve the access of people residing in rural areas to educational, learning, training, and health care services.

(b) In providing financial assistance, RUS will give priority to rural areas that it believes have the greatest need for distance learning and telemedicine services. RUS believes that generally the need is greatest in areas that are economically challenged, costly to serve, and experiencing outward migration. This program is consistent with the provisions of the Telecommunications Act of 1996 that designate telecommunications service discounts for schools, libraries, and rural health care centers. RUS will take into consideration the community's involvement in the proposed project and the applicant's ability to leverage grant funds.